

AGENDA ITEM:

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| REPORT TO: Meeting of the | MERSEYSIDE FIRE & RESCUE AUTHORITY POLICY & RESOURCES COMMITTEE |
| DATE: | 15TH JANUARY 2013 |
| REPORT NO. | CFO/001/13 |
| REPORTING OFFICER: | CLERK TO THE AUTHORITY |
| CONTACT OFFICER: | SHARON MATTHEWS - HEAD OF PROCUREMENT, EXTN: 4556 |
| SUBJECT: | APPROVED SUPPLIER LIST (PROCUREMENT) |

IS THIS REPORT EXEMPT? NO

APPENDIX A TITLE Draft Contract Standing orders

APPENDIX B Equality Impact Assessment

Purpose of Report

1. This report sets out the proposed changes to the way the Procurement function deals with potential suppliers and the necessary amendments to Contract Standing Orders to implement these changes.

Recommendation

2. That the Authority :
 - a) Approve the proposals and changes to Contract Standing Orders

Introduction & Background

3. The Authority has recently implemented an e-tendering solution for use when seeking bids for goods, services and works. This online solution (www.supply4nwfire.org.uk) is used by the Fire & Rescue Authorities of Merseyside, Lancashire, Cheshire & Greater Manchester.
4. The solution is electronic based and the Procurement function needs to align its processes to obtain the benefits of this system. One area that has been identified for improvement is the Approved & Preferred Supplier List process which has been in place for a number of years.

5. Under the current system if a company wishes to apply to be placed on an Approved or Preferred Supplier List they must write to the Procurement department. On receipt an Approved/Preferred proforma is issued to the company for completion. This document requires the company to provide further technical and financial detail so that officers can undertake an assessment of the company's capacity to undertake work on behalf of the Authority. If accepted, the company will be added to the list and may receive requests for quotations or tenders. Works contracts are dealt with via Constructionline which pre-qualifies all of the suppliers on its database, negating the need for officers to undertake further due diligence.
6. This paper based system is slow and onerous on suppliers as well as the procurement team. It is no longer an efficient way of working and it doesn't fit well with the e-tendering solution.
7. The proposal is to cease maintaining the Approved & Preferred Supplier Lists and to use the e-tendering functionality instead. The procurement portal offers suppliers the facility to register as a potential supplier to the Authority, the 4 North West Authorities or the wider public sector. This is no charge for suppliers to register on the portal.
8. No due diligence is carried out at this stage and officers would need to ask for the relevant information to be provided as part of a suppliers bid submission. This process is already in place as a matter of best practice and will continue.
9. Contract Standing Orders have been revised to take account of these changes (specifically sections 6,7 and 8 have been updated) and are attached for approval.

Equality & Diversity Implications

10. An EIA has been undertaken (attached). No adverse implications have been identified. It is envisaged that the advertising of contracts via the e-tendering solution will improve the equality of opportunity afforded to potential bidders.

Staff Implications

11. No staff implications have been identified.

Legal Implications

12. There are no identified legal implications arising out of this report..

Financial Implications & Value for Money

13. There will be a small saving as tenders will no longer be advertised in printed publications.

Risk Management, Health & Safety, and Environmental Implications

14. None identified.

Contribution to Our Mission – To Achieve; Safer Stronger Communities – Safe Effective Firefighters”

14. Effective procurement processes will engage the local supply market in a more efficient way, and at a reduced cost to the tax payer.

BACKGROUND PAPERS

List any supporting documents/evidence here

***Glossary of Terms**

Please list any acronyms used within this Report and appendices, including their meaning.